The Geographic Distribution and Characteristics of Older Workers In Alabama: *a 2008 Update*

LOCAL EMPLOYMENT DYNAMICS

What's in This Report?

Updated April 19, 2010

HIGHLIGHTS

The statistics about older workers in Alabama in 2008 show this group's proportion of the state's labor force has increased. Changes in the size and composition of age groups may affect government program and policy choices and the options available to businesses. National projections indicate that the population 65 and older will increase from about 1 in 8 people to 1 in 5 people by 2030, so that older workers will likely compose an increasingly larger proportion of each state's workforce.[1] Whether, and in what industries, the large wave of workers born during the Baby Boom of 1946 to 1964 are currently working may influence their labor force behavior beyond traditional retirement ages. That is important information for firms planning for the eventual loss of experienced workers and the payout of pensions. In 2008, the Baby Boom cohort was aged 44 to 62.

This report uses data from the Local Employment Dynamics (LED) program to show the geographic distribution and the economic dynamics among private sector workers 55 and older (also including some statistics on those aged 45 to 54). It includes comparisons among the counties (and county equivalents) and between metropolitan and nonmetropolitan areas of Alabama.[2]

This document has been updated by the Alabama Department of Industrial Relations, Labor Market Information Division. The original text as presented with 2004 data by the U.S. Census Bureau[3] has been maintained largely intact with the information refreshed using available 2008 data. For more information, please visit <http://lehd.did.census.gov>.

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[1] U.S. Census Bureau, 2004. "U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin," <http://www.census.gov/ipc/www/usinterimproj/natprojtab02a.xls>.

[2] The metropolitan and nonmetropolitan county classifications are based on Census 2000. For definitions of specific metropolitan statistical areas, see <http://www.census.gov/population/www /estimates /metroarea.html>.

[3] Taeuber, Cynthia and Matthew R. Graham, 2009. The Geographic Distribution and Characteristics of Older Workers in Alabama: 2004. LED Older Workers Profile, LED-OW04- AL. U.S. Census Bureau, Washington, DC.

CHARACTERISTICS AND EMPLOYMENT DYNAMICS OF OLDER WORKERS

Age Composition of the Workforce

•One in 5 individuals of the total workforce was 55 and older in 12 out of the 67 counties in Alabama during 2008.

•One in 4 individuals of the total workforce was 55 and older during 2008 in Coosa County.

•Statewide, 17.2 percent of workers were 55 and older. The five counties with the highest percentage of workers 55 and older were:

County	Percentage of Workforce
Coosa	25.2%
Washington	23.7%
Perry	23.1%
Macon	22.6%
Henry	22.4%

•Statewide, 3.8 percent of workers were 65 and older. The five counties with the highest percentage of workers 65 and older were:

County	Percentage of Workforce
Perry	7.1%
Pickens	6.1%
Macon	6.1%
Coosa	6.0%
Geneva	5.5%

•Sixty-five counties in Alabama experienced an increase from 2002 to 2008 in percentage of workforce that was 55 and older, with the largest increase occurring in Coosa County.

•Of the total workforce employed in metropolitan statistical areas, about 16.9 percent was 55 and older; and in nonmetropolitan area workplaces, the figure was 18.2 percent.

Industry Sectors with the Highest Proportions of Older Workers in 2008

•Statewide, among industry sectors that employed 100 or more workers 55 and older, Educational Services (NAICS 61) had the highest proportion of workers in this age group. This sector had the highest percentage of workers 55 and older in 33 counties.

•Statewide, industry sectors with more than 20 percent of workers 55 and older that employed at least 100 or more workers from that age group were:

Industry	Percentage of Workforce
61 Educational Services	24.3%
21 Mining, Quarrying, and Oil and Gas Extraction	22.3%
92 Public Administration	22.0%

Industry	Percentage of Workforce
11 Agriculture, Forestry, Fishing and Hunting	21.9%
53 Real Estate and Rental and Leasing	21.1%
81 Other Services (except Public Administration)	20.9%

•In metropolitan statistical areas of the state, the industry sector that employed the largest percentage of workers 55 and older was Educational Services (NAICS 61), with 24.1 percent; the industry sector with the highest proportion of workers 65 and older was Agriculture, Forestry, Fishing and Hunting (NAICS 11), with 6.7 percent.

•In nonmetropolitan area work-places in Alabama, the industry sector that employed the largest percentage of workers 55 and older was Educational Services (NAICS 61), with 25.1 percent; the industry sector with the highest proportion of workers 65 and older was Arts, Entertainment, and Recreation (NAICS 71), with 7.7 percent.

Industry Sectors Most Likely to Employ Older Workers in 2008

•Of the workers in the state 55 and older, 14.8 percent were employed in Manufacturing (NAICS 31-33), the highest proportion for that age group of any industry sector in the state. This industry was ranked number one in 44 of 67 counties.

•Of the workers 55 and older in the state's metropolitan statistical areas, 12.8 percent were employed in Health Care and Social Assistance (NAICS 62), the highest proportion for that age group statewide among industrial sectors.

•Of the workers 55 and older in the state's nonmetropolitan area workplaces, 23.2 percent were employed in Manufacturing (NAICS 31–33), the highest proportion for that age group statewide among industrial sectors.

Quarterly Job Gains and Losses in 2008

•On average, for workers 55 to 64 years old, 9,471 jobs were created quarterly and 13,261 jobs were lost quarterly. For workers 65 and older, the numbers were 3,495 and 5,927, respectively.

•The county with the largest share of job gains for workers 55 to 64years old was Coosa County, with 20.4 percent. This county also had the largest share of job losses, with 22.0 percent.

•The county with the largest share of job gains for workers 65 and older was Coosa County, with 8.8 percent. The largest share of job losses for such workers was in Pickens County, with 12.6 percent.

•The industry sector with the largest gain in jobs for workers 55 to 64 years old was Retail Trade (NAICS 44–45), with an average of 1,142 jobs gained per quarter at the state level. The most jobs lost by that age group were in Manufacturing (NAICS 31–33), with an average of 1,995 jobs lost per quarter at the state level.

•The industry sector with the largest gain in jobs for workers 65 and older was Retail Trade (NAICS 44–45), with 458 jobs gained per quarter at the state level. The most jobs lost by that age group were also in Retail Trade (NAICS 44–45), with 782 jobs lost per quarter at the state level.

Average Earnings of Older Workers in 2008

•Statewide, on average, workers 55 to 64 earned $3,803 a month; workers 65 to 99, on average, earned $2,617.

•Of industry sectors employing at least 100 workers 55 and older, the highest paying was Professional, Scientific, and Technical Services (NAICS 54). Workers in that sector earned, on average, $5,388 per month. The lowest paying was Accommodation and Food Services (NAICS 72). Workers in this sector earned, on average, $1,544 per month. The following table shows statewide average monthly earnings in 2008 for full-quarter, private-sector wage and salary workers 55 to 64 and 65 to 99 by NAICS sector.

Industry	Earnings ($)	
	55-64	65-99
All NAICS Sectors	3,803	2,617
11 Agriculture, Forestry, Fishing and Hunting	3,011	2,139
21 Mining, Quarrying, and Oil and Gas Extract	5,884	4,481
22 Utilities	6,135	3,188
23 Construction	4,157	3,293
31-33 Manufacturing	4,306	3,487
42 Wholesale Trade	4,729	3,344
44-45 Retail Trade	2,556	1,793
48-49 Transportation and Warehousing	3,535	2,483
51 Information	4,650	2,688
52 Finance and Insurance	5,180	3,865
53 Real Estate and Rental and Leasing	3,180	2,173
54 Professional, Scientific, and Technical Services	5,979	4,798
55 Management of Companies and Enterprises	5,137	3,891
56 Administrative and Support and Waste Mgt	2,606	1,814
61 Educational Services	3,528	2,508
62 Health Care and Social Assistance	3,651	2,808
71 Arts, Entertainment, and Recreation	2,169	1,295
72 Accommodation and Food Services	1,734	1,353
81 Other Services (except Public Administration)	2,813	1,775
92 Public Administration	3,517	2,215

Older Workers in Metropolitan Statistical Areas and in Nonmetropolitan Area Workplaces in 2008

•In metropolitan statistical areas, the five industry sectors with the largest percentage of workers 55 and older were:

Industry	Percentage of workers
61 Educational Services	24.1%
21 Mining, Quarrying, and Oil and Gas Extraction	23.3%
92 Public Administration	21.5%
11 Agriculture, Forestry, Fishing and Hunting	21.2%
53 Real Estate and Rental and Leasing	20.7%

•In nonmetropolitan area work-places, the five industry sectors with the largest percentage of workers 55 and older were:

Industry	Percentage of workers
61 Educational Services	25.1%
92 Public Administration	23.5%
48-49 Transportation and Warehousing	22.8%
81 Other Services (except Public Administration)	22.8%
11 Agriculture, Forestry, Fishing and Hunting	22.5%

•In metropolitan area work-places, of industry sectors employing at least 100 workers that were aged 55 to 64, the highest paying sector for those workers was Utilities (NAICS 22). On average, this sector paid $5,233 a month. The lowest paying was Accommodation and Food Services (NAICS 72), which paid an average $1,657 a month.

•In metropolitan area work-places, of industry sectors employing at least 100 workers ages 65 to 99, the highest paying for this age group was Mining, Quarrying, and Oil and Gas Extraction (NAICS 21), which paid on average, $3,857 a month. The lowest paying was Accommodation and Food Services (NAICS 72), which paid on average, $1,280 a month.

•In nonmetropolitan statistical areas, of industry sectors employing at least 100 workers ages 55 to 64, the highest paying for workers in this age range was Management of Companies and Enterprises (NAICS 55) which paid an average $5,470 a month. The lowest paying was Accommodation and Food Services (NAICS 72), which paid $1,641 on average a month.

•In nonmetropolitan statistical areas, of industry sectors employing at least 100 workers ages 65 to 99, the highest paying for workers 55 and older was Finance and Insurance (NAICS 52) which paid an average $3,160 a month. The lowest paying was Arts, Entertainment, and Recreation (NAICS 71), which paid $1,321 on average a month.

Table 1—Percentage of Workers by Age in Metropolitan Statistical Areas and Nonmetropolitan Area Workplaces in Alabama: 2008

Area of Workplace	45 - 54 years	55 - 64 years	65 - 99 years	55 - 99 years
Alabama	23.1%	13.4%	3.8%	17.2%
Metropolitan Areas				
Anniston-Oxford, AL	21.9%	13.4%	3.7%	17.1%
Auburn-Opelika, AL	20.5%	12.0%	3.1%	15.1%
Birmingham-Hoover, AL	22.9%	13.5%	3.7%	17.2%
Columbus, GA-AL (AL part)	23.9%	14.5%	3.9%	18.4%
Decatur, AL	24.0%	13.2%	3.6%	16.7%
Dothan, AL	22.7%	13.7%	4.1%	17.8%
Florence-Muscle Shoals, AL	22.9%	13.3%	3.9%	17.2%
Gadsden, AL	21.9%	14.3%	4.0%	18.3%
Huntsville, AL	24.1%	12.7%	3.5%	16.2%
Mobile, AL	23.4%	13.6%	3.7%	17.3%
Montgomery, AL	22.8%	13.4%	3.7%	17.1%
Tuscaloosa, AL	22.4%	12.1%	3.2%	15.2%
Micropolitan Areas				
Albertville, AL	20.8%	12.2%	3.7%	15.9%
Alexander City, AL	23.1%	14.8%	4.5%	19.3%
Cullman, AL	22.6%	14.0%	4.1%	18.1%
Daphne-Fairhope-Foley, AL	22.0%	13.1%	4.1%	17.2%
Enterprise-Ozark, AL	23.0%	14.8%	4.0%	18.8%
Eufaula, AL-GA (AL part)	23.0%	14.0%	3.3%	17.3%
Fort Payne, AL	21.5%	12.6%	4.2%	16.7%
Scottsboro, AL	23.0%	14.0%	3.7%	17.8%
Selma, AL	26.9%	15.9%	4.3%	20.1%
Talladega-Sylacauga, AL	24.5%	12.9%	3.4%	16.2%
Troy, AL	22.6%	14.0%	4.5%	18.5%
Tuskegee, AL	21.8%	16.5%	6.1%	22.6%
Valley, AL	23.9%	14.6%	4.0%	18.6%
All metropolitan areas	23.0%	13.3%	3.7%	16.9%
Nonmetropolitan, nonmicropolitan	24.6%	14.9%	4.3%	19.2%

Figure 1—Alabama Workforce by Age Group: 2002 to 2008

Percent of beginning-of-quarter employment

14-44 years: 63.8% (2002), 62.9% (2003), 62.2% (2004), 61.7% (2005), 61.2% (2006), 60.5% (2007), 59.7% (2008)

45-54 years: 22.3% (2002), 22.6% (2003), 22.7% (2004), 22.7% (2005), 22.9% (2006), 22.9% (2007), 23.1% (2008)

55-64 years: 10.9% (2002), 11.5% (2003), 11.9% (2004), 12.2% (2005), 12.6% (2006), 13.0% (2007), 13.4% (2008)

65-99 years: 3.0% (2002), 3.1% (2003), 3.2% (2004), 3.3% (2005), 3.4% (2006), 3.6% (2007), 3.8% (2008)

Note: Discrepancies may occur due to rounding.
Source: U.S. Census Bureau and the Alabama Department of Industrial Relations, LMI Division, Local Employment Dynamics program, 2008. See <http://lehd.did.census.gov>.

Figure 2—Percentage of Workers 45 to 54 Years Old by County of Workplace in Alabama: 2008

Tennessee

Mississippi

Georgia

Florida

**Percentage of Workers
45 to 54 by County**

- 20.5% - 22.9%
- 23.0% - 25.2%
- 25.3% - 27.6%
- 27.7% - 30.0%

*Note: Key values may not
reflect precise category
breaks due to rounding.*

N

Lauderdale, Limestone, Madison, Jackson, Colbert, Lawrence, Morgan, DeKalb, Franklin, Marshall, Marion, Winston, Cullman, Cherokee, Etowah, Blount, Lamar, Fayette, Walker, St. Clair, Calhoun, Cleburne, Jefferson, Pickens, Tuscaloosa, Shelby, Talladega, Clay, Randolph, Greene, Bibb, Coosa, Chambers, Hale, Chilton, Tallapoosa, Sumter, Perry, Elmore, Lee, Marengo, Dallas, Macon, Russell, Choctaw, Lowndes, Montgomery, Clarke, Wilcox, Bullock, Butler, Pike, Barbour, Monroe, Crenshaw, Henry, Washington, Conecuh, Dale, Coffee, Escambia, Covington, Geneva, Houston, Mobile, Baldwin

Kilometers

0   20   40   80   120   160

0   12.5   25   50   75   100

Miles

Spatial Data Source: U.S. Census Bureau, Census 2000.
*Statistical Data Source: U.S. Census Bureau and the Alabama Department of Industrial
Relations, LMI Division, Longitudinal Employer-Household Dynamics Program, 2010.*

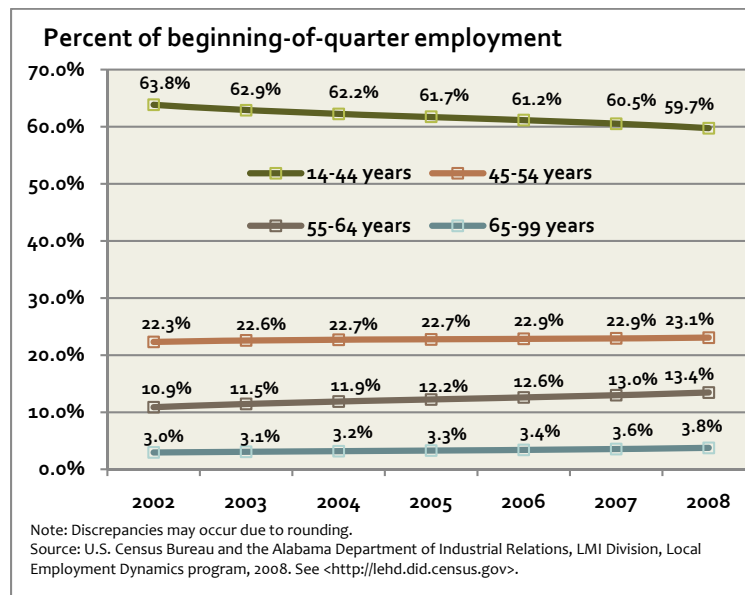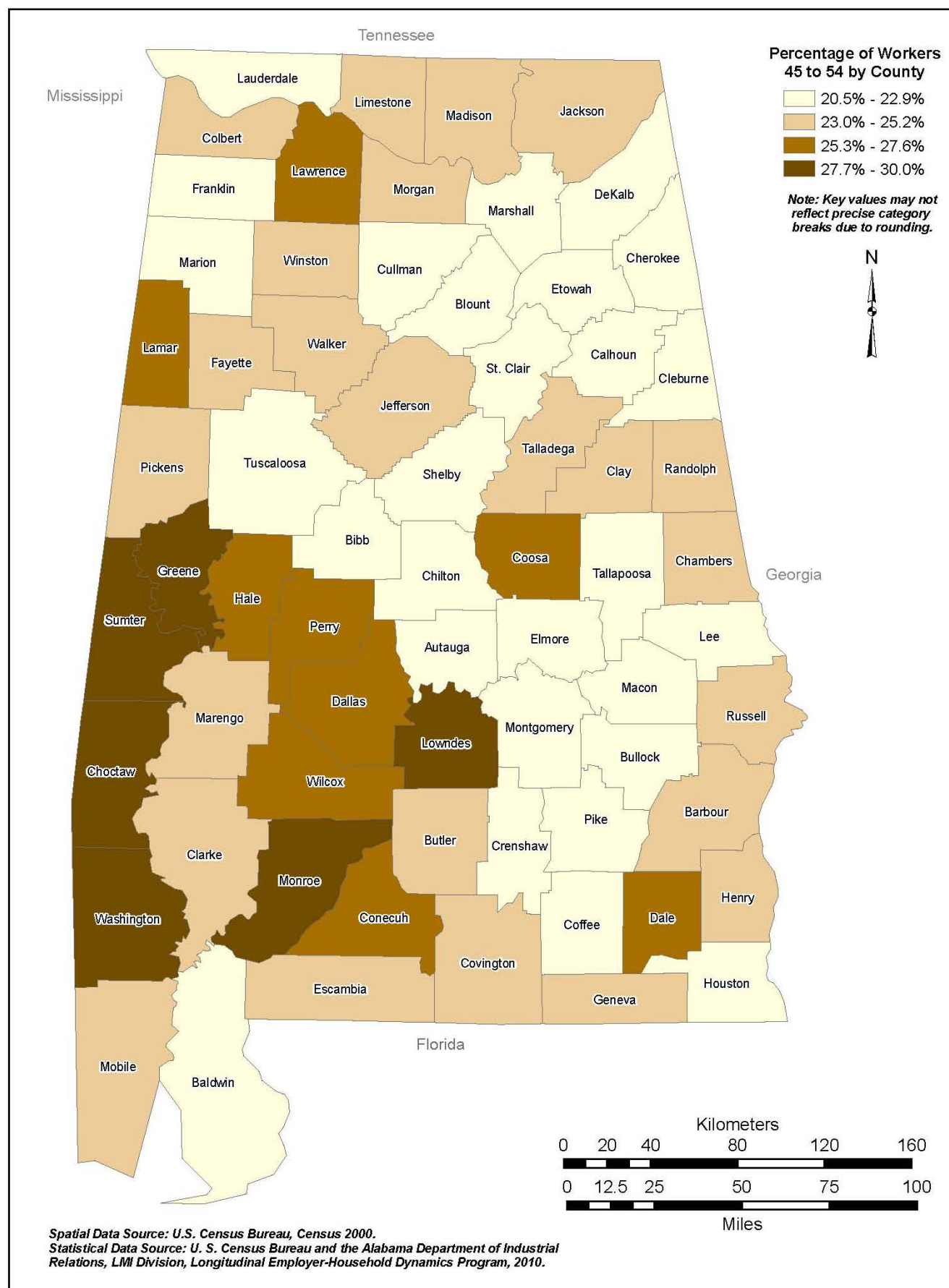# Figure 3—Percentage of Workers 55 to 64 Years Old by County of Workplace in Alabama: 2008

Percentage of Workers 55 to 64 by County

- 11.7% - 13.7%
- 13.8% - 15.8%
- 15.9% - 17.9%
- 18.0% - 20.0%

Note: Key values may not reflect precise category breaks due to rounding.

Spatial Data Source: U.S. Census Bureau, Census 2000.
Statistical Data Source: U. S. Census Bureau and the Alabama Department of Industrial Relations, LMI Division, Longitudinal Employer-Household Dynamics Program, 2010.
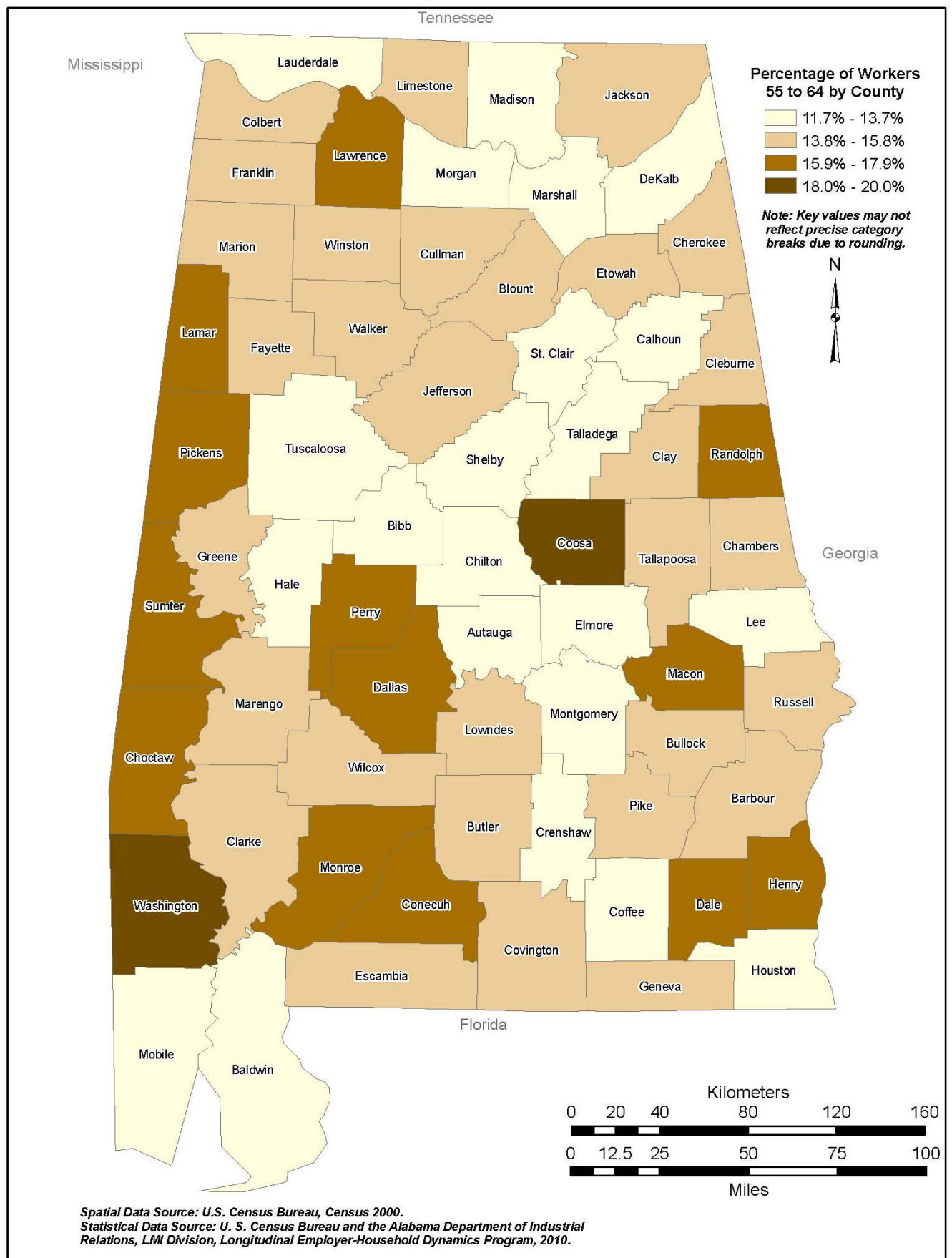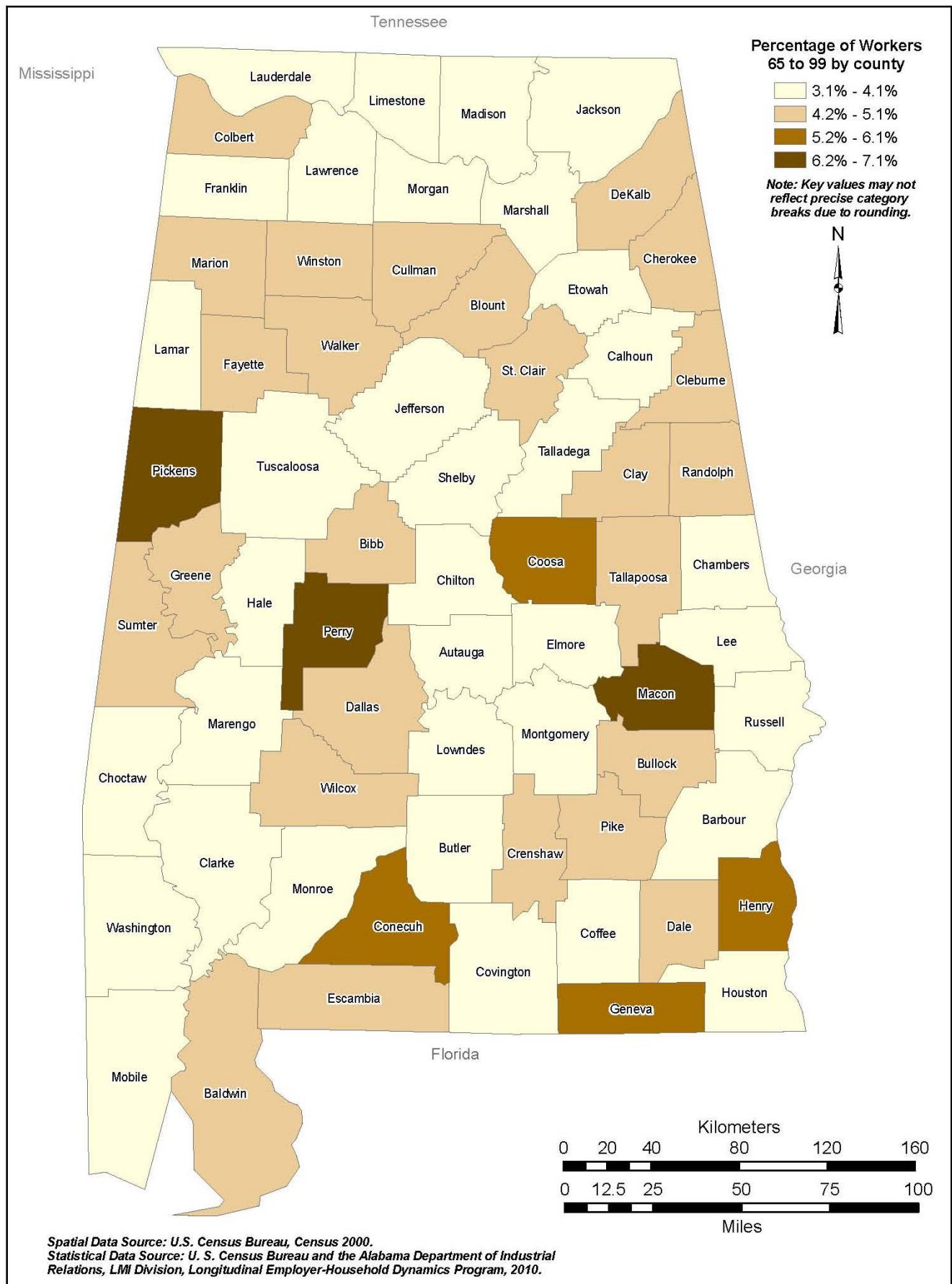
Figure 4—Percentage of Workers 65 and Older by County of Workplace in Alabama: 2008

Percentage of Workers 65 to 99 by county

- 3.1% - 4.1%
- 4.2% - 5.1%
- 5.2% - 6.1%
- 6.2% - 7.1%

Note: Key values may not reflect precise category breaks due to rounding.

Spatial Data Source: U.S. Census Bureau, Census 2000.
Statistical Data Source: U. S. Census Bureau and the Alabama Department of Industrial Relations, LMI Division, Longitudinal Employer-Household Dynamics Program, 2010.

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